

U. S. TREASURY DEPARTMENT
Internal Revenue Service
Washington 25, D. C.

Alcohol and Tobacco Tax Division
Industry Circular No. 56-8

February 14, 1956

Form 15, Monthly Return of Fruit Distiller
and Form 1598, Proprietor's Report of
Operations at Registered Distillery

Proprietors of registered distilleries,
fruit distilleries and others concerned:

1. Treasury Decision 6159 published in the Federal Register for January 10, 1956, removed from 26 CFR Parts 220 and 221 the requirements for determining and reporting calculated yield. You were advised of this change by Industry Circular No. 55-38, dated November 15, 1955, paragraph 3(a) of which stated, in part, "Accordingly, the instructions and provisions of Form 15 (Revised October 1955) and Form 1598 (Revised November 1955), as they relate to calculated yield, will not apply after the amendments become effective." These revisions of Forms 15 and 1598 were prepared for use under Treasury Decision 6159 and accordingly will not be used before March, 1956.

2. It is planned to revise these forms to conform to the changes made in regulations after the forms were printed; however, until they are revised it is desired to set out in more detail than was given in Industry Circular No. 55-38 the effect on Forms 15 and 1598 of the deletion of calculated yield requirements.

3. Form 15. In part 1, it will not be necessary to make entries in columns 14, 15, and 16. The percent of alcohol by volume of distilling materials received in bond will continue to be reported in part 2, section 2, column 9. In part 3, section 3, it will not be necessary to complete lines 3, 6, 12, 13, 14, and 18.

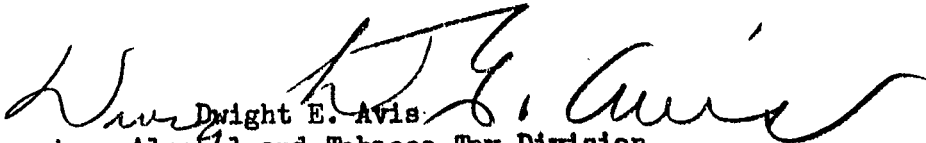
4. Form 1598. In part 1, it will not be necessary to complete columns (o), (q), and (r). In part 3, section 4, it will not be necessary to complete lines 3, 6, 12, 13, 14, and 18.

5. It is also desired to clarify the meaning of the headings of lines 4, "Received from other accounts," and 7, "Transferred to other accounts," in section 3, part 3, of Form 15, and section 4, part 3, of Form 1598. These lines will be used to report the transfer of any unfinished spirits intended for the production of one class and type of spirits to use in the production of another class and type of spirits. Thus, for example, if unfinished spirits distilled from a bourbon mash are transferred for use in the production of neutral spirits, the quantity so transferred would be entered in line 7, column (e), and line 4, column (b) of section 4, part 3 of Form 1598.

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6. In accordance with Treasury Decision 6159, these changes in reporting procedures will become effective March 1, 1956.

7. Inquiries with respect to this circular should be addressed to your assistant regional commissioner and refer to the number of this circular.


Dwight E. Avis
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